

## **Moore&VanAllen**

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Also Admitted in SC

March 16, 2010

### **VIA ELECTRONIC FILING**

Ms. Jocelyn G. Boyd  
Interim Chief Clerk and Administrator  
The Public Service Commission of South Carolina  
Synergy Business Park  
101 Executive Center Drive  
Columbia, South Carolina 29210

Re: GCRM-128, Docket No. 2006-401-G

Dear Ms. Boyd:

On behalf of Piedmont Natural Gas Company, Inc. ("Piedmont"), I have enclosed various schedules constituting Piedmont's GCRM-128.

The rate changes reflected in this filing, as shown on the attached schedules, are necessary to update Piedmont's rates to reflect changes in Piedmont's wholesale costs of gas. Wholesale futures contract prices for natural gas deliveries, as reflected on the New York Mercantile Exchange, are currently at levels well below the \$5.85 commodity cost of gas reflected in Piedmont's rates. In addition, the balance in Piedmont's gas cost deferred account has been reduced to approximately \$4 million as of the end of February, 2010.

Based on the differential between Piedmont's existing benchmark cost of gas and the futures wholesale price, as well as the current balance in its deferred gas cost account, Piedmont is at risk of overcollecting its wholesale gas costs in the near future if the benchmark cost of gas reflected in its rates is not decreased to \$5.60 per dekatherm as proposed herein. The relief requested herein will avoid such overcollection and will also ensure that the wholesale gas costs reflected in Piedmont's rates are reasonably consistent with the prevailing market price for natural gas, thereby avoiding the creation of artificial market signals/incentives to parties who utilize this commodity for fuel or process purposes. The rate changes proposed herein are a decrease of \$0.02554/therm for sales rate schedules (201, 202, 221, 232, 242, 252, 262, 203 and 204) and a decrease of \$0.00054/therm for transportation rate schedules (213 and 214).

Piedmont hereby requests approval of this GCRM filing in time to implement these rate changes effective with the first billing cycle in April, 2010.

Ms. Jocelyn G. Boyd  
March 16, 2010  
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If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

Moore & Van Allen, PLLC

s/ Scott M. Tyler  
Scott M. Tyler

Enclosures

c: Mr. David Carpenter  
Ms. Pia Powers  
Mr. Jim Jeffries  
Office of Regulatory Staff (via email and 5 copies via overnight delivery)

# **RATES AND CHARGES**

**SOUTH CAROLINA RATES AND CHARGES**

**Residential**

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**Residential Service - Value Rate 201**

Monthly Charge -		Rate Per Therm -	
November - March	\$ 10.00	November - March	\$ 1.00730
April - October	\$ 8.00	April - October	\$ 0.95936

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**Residential Service - Standard Rate 221**

Monthly Charge -		Rate Per Therm -	
November - March	\$ 10.00	November - March	\$ 1.21844
April - October	\$ 8.00	April - October	\$ 1.22337

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**Outdoor Gaslight Service - Rate 205**

Monthly Charge -	\$ 15.00
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## SOUTH CAROLINA RATES AND CHARGES

## Commercial

**Small General Service - Standard Rate 202**

Monthly Charge -	\$ 22.00	Rate Per Therm -	
		November - March	\$ 1.12009
		April - October	\$ 1.08293

**Small General Service - Value Rate 232**

Monthly Charge -	\$ 22.00	Rate Per Therm -		
		November - March	First 2,000	\$ 1.05596
			Over 2,000	\$ 1.02387
		April - October	First 2,000	\$ 0.95409
			Over 2,000	\$ 0.92517

**Medium General Service - Standard Rate 252**

Monthly Charge -	\$ 75.00	Rate Per Therm -	
		November - March	\$ 1.09450
		April - October	\$ 1.05151

**Medium General Service - Value Rate 262**

Monthly Charge -	\$ 75.00	Rate Per Therm -		
		November - March	First 5,000	\$ 1.02064
			Over 5,000	\$ 0.98408
		April - October	First 5,000	\$ 0.92213
			Over 5,000	\$ 0.89576

**Small General Service - Motor Fuel Rate 242**

Monthly Charge -	\$ 22.00	Rate Per Therm -	
		November - March	\$ 0.82996
		April - October	\$ 0.81674

## SOUTH CAROLINA RATES AND CHARGES

## Industrial

**Large General Sales Service - Rate 203**

Monthly Charge -		\$	250.00
Demand Charge (monthly per peak day therm usage) -		\$	1.90000
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.84412	First 15,000	\$ 0.75069
Next 15,000	\$ 0.77247	Next 15,000	\$ 0.70207
Next 75,000	\$ 0.73305	Next 75,000	\$ 0.71001
Next 165,000	\$ 0.65599	Next 165,000	\$ 0.63742
Next 330,000	\$ 0.60067	Next 330,000	\$ 0.59567
Over 600,000	\$ 0.57210	Over 600,000	\$ 0.57210

**Interruptible Sales Service - Rate 204**

Monthly Charge -		\$	250.00
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.92494	First 15,000	\$ 0.76567
Next 15,000	\$ 0.84951	Next 15,000	\$ 0.71687
Next 75,000	\$ 0.79942	Next 75,000	\$ 0.69027
Next 165,000	\$ 0.82295	Next 165,000	\$ 0.66430
Next 330,000	\$ 0.69911	Next 330,000	\$ 0.61067
Over 600,000	\$ 0.61210	Over 600,000	\$ 0.58210

**Large General Transportation Service - Rate 213**

Monthly Charge -		\$	250.00
Demand Charge (monthly per peak day therm usage) -		\$	0.60000
Standby Sales Service Charge (monthly per peak day therm usage) -		\$	1.30000
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.25293	First 15,000	\$ 0.18213
Next 15,000	\$ 0.18601	Next 15,000	\$ 0.13379
Next 75,000	\$ 0.13962	Next 75,000	\$ 0.10787
Next 165,000	\$ 0.09599	Next 165,000	\$ 0.07466
Next 330,000	\$ 0.04067	Next 330,000	\$ 0.03567
Over 600,000	\$ 0.01210	Over 600,000	\$ 0.01210

**Interruptible Transportation Service - Rate 214**

Monthly Charge -		\$	250.00
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.25242	First 15,000	\$ 0.18152
Next 15,000	\$ 0.18537	Next 15,000	\$ 0.13229
Next 75,000	\$ 0.13682	Next 75,000	\$ 0.10174
Next 165,000	\$ 0.08861	Next 165,000	\$ 0.07113
Next 330,000	\$ 0.04159	Next 330,000	\$ 0.05602
Over 600,000	\$ 0.01210	Over 600,000	\$ 0.01210

## SOUTH CAROLINA RATES AND CHARGES

## Miscellaneous Fees And Charges

Schedule For Limiting And Curtailing Service - Rate 206

Emergency Service Rate Per Therm	\$ 1.00	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.
Unauthorized Over Run Penalty Per Therm	\$ 2.50	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.

Reconnect Fees

February Through August	\$ 40.00
September Through January	\$ 60.00

Returned Check Charge

Returned Check Charge	\$ 25.00
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Issued by Tom Skains, CEO & President  
Issued to comply with the authority granted by  
The Public Service Commission of South Carolina  
GCRM-128

Issued: March 16, 2010  
Effective: April 1, 2010

# **SCHEDULE A**



Piedmont Natural Gas Company, Inc.  
Purchased Gas Adjustment effective April 2010  
GCRM - 128, Docket No. 2006-401-G

South Carolina  
Rate Schedules:

		<u>Present</u> <u>Billing Rates</u>	<u>Change</u>	<u>Proposed</u> <u>Billing Rates</u>
<b>201</b>	<b>Residential Service - Value</b>			
	Monthly Charge-winter	10.00	-	10.00
	Monthly Charge-summer	8.00	-	8.00
	Winter (Nov.-Mar.)	1.03284	(0.02554)	1.00730
	Summer (Apr.-Oct.)	0.98490	(0.02554)	0.95936
<b>221</b>	<b>Residential Service - Standard</b>			
	Monthly Charge-winter	10.00	-	10.00
	Monthly Charge-summer	8.00	-	8.00
	Winter (Nov.-Mar.)	1.24398	(0.02554)	1.21844
	Summer (Apr.-Oct.)	1.24891	(0.02554)	1.22337
<b>205</b>	<b>Outdoor Gas Light Service</b>			
	Monthly Charge	15.00	-	15.00
<b>202</b>	<b>Small General Service-Standard</b>			
	Monthly Charge	22.00	-	22.00
	Winter (Nov.-Mar.)	1.14563	(0.02554)	1.12009
	Summer (Apr.-Oct.)	1.10847	(0.02554)	1.08293
<b>232</b>	<b>Small General Service-Value</b>			
	Monthly Charge	22.00	-	22.00
	Winter (Nov.-Mar.)			
	First 2,000	1.08150	(0.02554)	1.05596
	Over 2,000	1.04941	(0.02554)	1.02387
	Summer (Apr.-Oct.)			
	First 2,000	0.97963	(0.02554)	0.95409
	Over 2,000	0.95071	(0.02554)	0.92517
<b>252</b>	<b>Medium General Service-Standard</b>			
	Monthly Charge	75.00	-	75.00
	Winter (Nov.-Mar.)	1.12004	(0.02554)	1.09450
	Summer (Apr.-Oct.)	1.07705	(0.02554)	1.05151
<b>262</b>	<b>Medium General Service-Value</b>			
	Monthly Charge	75.00	-	75.00
	Winter (Nov.-Mar.)			
	First 5,000	1.04618	(0.02554)	1.02064
	Over 5,000	1.00962	(0.02554)	0.98408
	Summer (Apr.-Oct.)			
	First 5,000	0.94767	(0.02554)	0.92213
	Over 5,000	0.92130	(0.02554)	0.89576
<b>242</b>	<b>Small General Service-Motor Fuel</b>			
	Monthly Charge	22.00	-	22.00
	Winter (Nov.-Mar.)	0.85550	(0.02554)	0.82996
	Summer (Apr.-Oct.)	0.84228	(0.02554)	0.81674

Piedmont Natural Gas Company, Inc.  
Purchased Gas Adjustment effective April 2010  
GCRM - 128, Docket No. 2006-401-G

South Carolina  
Rate Schedules:

	<u>Present</u> <u>Billing Rates</u>	<u>Change</u>	<u>Proposed</u> <u>Billing Rates</u>
<b>203 Large General Sales Service</b>			
Monthly Charge	250.00	-	250.00
Billing Demand (therms)	1.90000	-	1.90000
Winter (Nov.-Mar.)			
First 15,000	0.86966	(0.02554)	0.84412
Next 15,000	0.79801	(0.02554)	0.77247
Next 75,000	0.75859	(0.02554)	0.73305
Next 165,000	0.68153	(0.02554)	0.65599
Next 330,000	0.62621	(0.02554)	0.60067
Over 600,000	0.59764	(0.02554)	0.57210
Summer (Apr.-Oct.)			
First 15,000	0.77623	(0.02554)	0.75069
Next 15,000	0.72761	(0.02554)	0.70207
Next 75,000	0.73555	(0.02554)	0.71001
Next 165,000	0.66296	(0.02554)	0.63742
Next 330,000	0.62121	(0.02554)	0.59567
Over 600,000	0.59764	(0.02554)	0.57210
<b>204 Interruptible Sales Service</b>			
Monthly Charge	250.00	-	250.00
Winter (Nov.-Mar.)			
First 15,000	0.95048	(0.02554)	0.92494
Next 15,000	0.87505	(0.02554)	0.84951
Next 75,000	0.82496	(0.02554)	0.79942
Next 165,000	0.84849	(0.02554)	0.82295
Next 330,000	0.72465	(0.02554)	0.69911
Over 600,000	0.63764	(0.02554)	0.61210
Summer (Apr.-Oct.)			
First 15,000	0.79121	(0.02554)	0.76567
Next 15,000	0.74241	(0.02554)	0.71687
Next 75,000	0.71581	(0.02554)	0.69027
Next 165,000	0.68984	(0.02554)	0.66430
Next 330,000	0.63621	(0.02554)	0.61067
Over 600,000	0.60764	(0.02554)	0.58210

Piedmont Natural Gas Company, Inc.  
Purchased Gas Adjustment effective April 2010  
GCRM - 128, Docket No. 2006-401-G

South Carolina  
Rate Schedules:

	<u>Present</u> <u>Billing Rates</u>	<u>Change</u>	<u>Proposed</u> <u>Billing Rates</u>
<b>213 Large General Transportation Service</b>			
Monthly Charge	250.00	-	250.00
Standby Demand	1.30000	-	1.30000
Billing Demand (therms)	0.60000	-	0.60000
Winter (Nov.-Mar.)			
First 15,000	0.25347	(0.00054)	0.25293
Next 15,000	0.18655	(0.00054)	0.18601
Next 75,000	0.14016	(0.00054)	0.13962
Next 165,000	0.09653	(0.00054)	0.09599
Next 330,000	0.04121	(0.00054)	0.04067
Over 600,000	0.01264	(0.00054)	0.01210
Summer (Apr.-Oct.)			
First 15,000	0.18267	(0.00054)	0.18213
Next 15,000	0.13433	(0.00054)	0.13379
Next 75,000	0.10841	(0.00054)	0.10787
Next 165,000	0.07520	(0.00054)	0.07466
Next 330,000	0.03621	(0.00054)	0.03567
Over 600,000	0.01264	(0.00054)	0.01210
<b>214 Interruptible Transportation Service</b>			
Monthly Charge	250.00	-	250.00
Winter (Nov.-Mar.)			
First 15,000	0.25296	(0.00054)	0.25242
Next 15,000	0.18591	(0.00054)	0.18537
Next 75,000	0.13736	(0.00054)	0.13682
Next 165,000	0.08915	(0.00054)	0.08861
Next 330,000	0.04213	(0.00054)	0.04159
Over 600,000	0.01264	(0.00054)	0.01210
Summer (Apr.-Oct.)			
First 15,000	0.18206	(0.00054)	0.18152
Next 15,000	0.13283	(0.00054)	0.13229
Next 75,000	0.10228	(0.00054)	0.10174
Next 165,000	0.07167	(0.00054)	0.07113
Next 330,000	0.05656	(0.00054)	0.05602
Over 600,000	0.01264	(0.00054)	0.01210

# **SCHEDULE B**

Piedmont Natural Gas Company, Inc.  
South Carolina  
Commodity Cost of Gas Calculation  
GCRM - 128, Docket No. 2006-401-G

	Annualized Throughput (DT) per Docket 2005-125-G Settlement Approved on 10/13/2009	Proposed Increase (Decrease) in Rate per DT	Total
Sales	13,626,116	\$ (0.25)	\$ (3,406,529)
Transportation	4,826,194		
Total Throughput	18,452,310		
LAUF %	2.16%		
Company Use & Lost And Unacct For	398,570	\$ (0.25)	\$ (99,643)
Total Throughput			18,452,310
LAUF Rate Adjustment per DT			(0.0054)
Sales Commodity Rate Adjustment per DT			\$ (0.2554)
Sales Commodity Rate Adjustment per Therm			\$ (0.02554)
Transportation Commodity Rate Adjustment per DT			\$ (0.0054)
Transportation Commodity Rate Adjustment per Therm			\$ (0.00054)
Current Effective Benchmark per DT			\$ 5.85
Proposed Effective Benchmark per DT			\$ 5.60

STATE OF NORTH CAROLINA

**VERIFICATION**

COUNTY OF MECKLENBURG

David Carpenter, being duly sworn, deposes and says that he is Managing Director – Regulatory Affairs of Piedmont Natural Gas Company, Inc., that as such, he has read the foregoing Petition and knows the contents thereof; that the same are true of his own knowledge except as to those matters stated on information and belief and as to those he believes them to be true.

  
David Carpenter

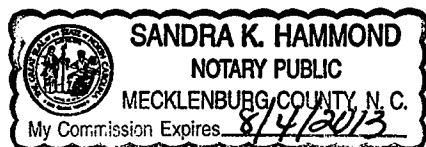
Mecklenburg County, North Carolina

Signed and sworn to before me this day by David Carpenter.

Date: March 15, 2012 Sandra K. Hammond  
Sandra K. Hammond, Notary Public

(Official Seal)

My commission expires: August 4, 2013



## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the attached documents are being served this date via email and UPS Overnight (5 copies) upon:

Florence P. Belser  
Office of Regulatory Staff  
1401 Main Street  
Suite 900  
Columbia, South Carolina 29201  
fbelser@regstaff.sc.gov

And that a copy of the attached documents are being served this date via email and U.S. Mail upon:

David Carpenter  
Managing Director Regulatory Affairs  
Piedmont Natural Gas Company, Inc.  
P.O. Box 33068  
Charlotte, North Carolina 28233  
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Pia Powers  
Manager, Regulatory Affairs  
Piedmont Natural Gas Company, Inc.  
P.O. Box 33068  
Charlotte, North Carolina 28233  
pia.powers@piedmontng.com

This the 16th day of March, 2010.

s/ Scott M. Tyler  
Scott M. Tyler